

CALIFORNIA COUNCIL ON
SCIENCE AND TECHNOLOGY

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University of California
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May 24, 2005

Milton Marks Commission on CA
State Government Organization and Economy
925 L Street, Suite 805
Sacramento, CA 95814
Email littlehoover@lhc.ca.gov

Subject: Governor Schwarzenegger's Proposed Reorganization
For a CA Department of Energy

Dear Commissioners:

The California Council on Science and Technology (CCST) is in the process of completing its second independent review of the Public Interest Energy Research Program (PIER), currently housed in the CA Energy Commission. The report is due for publication June 30, 2005.

The PIER Independent Review Panel (IRP) was formed and is managed by the California Council on Science and Technology. CCST was established by Assembly Concurrent Resolution Number 162, in 1988, to provide independent non-partisan public policy advice to the Governor and the CA Legislature on Science and Technology issues facing the State.

CCST's mission is to identify and advise on ways in which science and technology can be used to improve California's economy and quality of life. Our membership of 150 represents the top S&T expertise in the State and includes representation from California's Nobel Laureates, National Medal of Science and National Medal of Technology recipients, and members of the National Academies. We are partnered with the National Academies at the federal level.

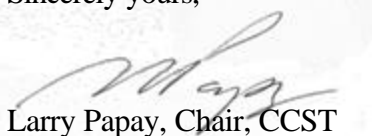
CCST formed the PIER Independent Review Panel to evaluate the Public Interest Energy Research program and to make recommendations to the Legislature and to the Governor about the PIER program's progress toward becoming a world class R&D effort. California leads the nation in fostering and implementing new sources of electricity to sustain its economy while preserving its natural environment. The contributions of PIER to this effort have been recognized by legislation extending its initial four-year charter through 2012, and by the prominent place of PIER in the new California Department of Energy (California DOE) now being proposed by the Governor.

The PIER program is a valuable public benefit asset to California and since being established has demonstrated its importance to the State. PIER developed a set of energy issues, which are tied to those later developed under the California Energy Action Plan. Federal dollars have been leveraged to the benefit of the State. The IRP noted that California still faces numerous challenges in its energy future, and the PIER program has the potential to be a significant contributor toward solving many of those problems. We believe that the proposed

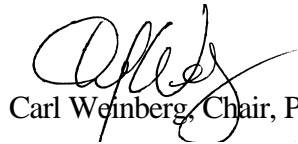
reorganization structure with a Division of Research and Development could provide the environment that would allow PIER to grow into a world class R&D program.

We have reviewed the reorganization proposed and support a CA Department of Energy with a cabinet-level Secretary of Energy.

Sincerely yours,

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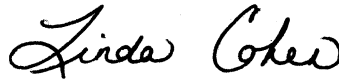
Larry Papay, Chair, CCST

A handwritten signature in cursive script, appearing to read "Weinberg".

Carl Weinberg, Chair, PIER IRP

A handwritten signature in cursive script, appearing to read "Susan Hackwood".

Susan Hackwood, CCST Executive Director

A handwritten signature in cursive script, appearing to read "Linda Cohen".

Linda Cohen, Vice Chair, PIER IRP